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Apartments for Life

DESCRIPTION:

Evergreen Apartments for Life (AFL) is a project of Evergreen Living Innovations, Inc. (ELI) located in Olathe, KS. Apartments for Life will be a demonstration site that will require regulatory waivers, a new method of funding and be the result of a partnership of public and private sectors.

ELI will build a new model of aging-in-place for low-income seniors and disabled persons who are on Medicaid, Medicare or both. *AFL* will demonstrate a replicable new way of providing supportive services in a community living environment that allows a person to remain in their apartment home until the end of life (and stay with a spouse even if the spouse needs a higher level of care). It incorporates the concept of providing the right healthcare and support services at the right time rather than the current expensive and inefficient model that is not desirable to the consumer.

It will help shape public policy in the US and provide opportunities for innovation, collaboration and partnership.

RANGE OF SERVICES:

Services will range from Independent Living (IL) and Assisted Living (AL) to Skilled Nursing Facility (SNF) level of care, and will include hospice services at the end-of-life. Services will include meals, housekeeping, memory care, transportation, laundry, therapy and medical care as needed or contracted. An acute care triage team will be able to provide care on the campus, thus reducing hospitalizations. The guiding principles of *AFL* center on wellness, disease prevention, prevention of hospitalization, dignity, choice and autonomy.

COLLABORATION:

Apartments for Life will collaborate with a major area hospital and a large community college (that has several nursing and allied health educational certification and degree programs). *AFL* is working with the Kansas Department on Aging (KDOA) and the Centers for Medicare & Medicaid Services and US Administration on Aging in the design of the demonstration project.

MEASURABLE RESULTS:

Apartments for Life will capitalize on economies of scale to produce an efficient, cost-effective living option focused on prevention and disease management, instead of on illness, decline and dependency. Measurable results will include reduction of hospitalization, a range of desirable wellness and disease management outcomes. It will reduce the number of residents receiving SNF levels of funding; allow for 'graduation' back from Skilled Nursing Facility level of care to Assisted Living or Independent Living, while remaining in the apartment home.

SCALABILITY:

Apartments for Life will be built for approximately 300 residents with an equal balance of residents in Independent Living, Assisted Living and Skilled Nursing. This balance will be incentivized through the methodology for reimbursement by a 'Managed Wellness Program' (MWP) system. Beyond our campus borders of 300 Apartments for Life, ELI would offer a 'Managed Wellness Program' in current low income Senior housing locations such as HUD 202; thus reducing the need for those residents to someday move into Assisted Living or Skilled Nursing Facility. As you will see below this plan has great potential in reducing Medicaid cost in the future.

A successful Managed Wellness Program could then be replicated throughout the State of Kansas especially benefiting rural communities through efficiency of operating, maintaining and staffing just one building to meet the various levels of needs for seniors within the community.



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SUSTAINABILITY:

With a regulatory waiver that provides reimbursement based on a Managed Wellness Program (MWP) methodology rather than the current system that is driven by resident location, and the proper mix of acuity levels, wellness activities and disease management, the model is sustainable. ELI commissioned and received a Market Study performed in October of 2010 by The Buckley Group that documents the need for the model. Based on the Market Study a campus of 300 Apartments for Life will penetrate only 10% of the market in Johnson County.

CAMPUS FUNDING:

While the program is not yet operational - *Apartments for Life* is in the planning and design phases at this time. ELI is currently involved with design work with architects, landscape architects, and construction engineers, as well as Action Pact Development (business plan, financial forecasting and modeling.) Sources of funding for construction and operations will both be a mix of public and private funding. For construction, it is anticipated that there will be a mix of HUD Section funding, tax credits, private donations, foundation grants and bond financing. Operating revenue sources will include HUD rental assistance, revenues from private pay residents, Medicaid and Medicare reimbursements, long-term care insurance, grants and donations.

REIMBURSEMENT:

Reimbursement would be based on a single rate regardless of level of care. The Managed Wellness Program (MWP) would reduce or eliminate inefficiencies in current systems and combine disconnected funding sources into a stringently managed single source in the following ways:

- Low Income participants would not have to navigate or apply to multi sources to receive program benefits such as Meals on Wheels, HCBS, Assisted Living and Skilled Care
- Early interventions of disease management will prevent more costly care if left untreated
- Promotion of wellness through exercise and balanced nutrition will sustain independence and strength longer thus reducing the need for more expensive care
- Focus on 'Use it or Lose it' will encourage participants to live independently contrary to current skilled programs of dependency while restoring quality of life in their apartment home
- Included within the MWP will be cost of rehabilitation therapy and short-term acute care services to avoid the current 3-day hospital stay to receive IV therapy or other services for treating conditions such as upper respiratory infections and urinary tract infections on campus or within their apartment rather than in the hospital. This would be accomplished through an onsite clinic in partnership with a local hospital.
- Avoiding just three hospital days would save an estimated \$5,000 per day.

Details of the program development will be worked out with the State of Kansas and CMS. The MWP (Managed Wellness Program) could be all inclusive (meaning include rent, food and services) for all levels of care from IL, AL, and SNF; or there could be a two-tier program 1) rent such as HUD kept separate, 2) services MWP (Managed Wellness Program) covering all other needed services from nutrition, wellness, medical and preventative.